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CONTINENTAL OIL COMPANY

Roswell, New Mexico
June 11, 1956

NS 2-47
Duel
~~7/2/56~~
7/2/56

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Director

(see DC-311 Re:)

Application of Continental Oil Company for administrative approval of dual completion in the Eumont Gas Pool and Monument Oil Pool of the Sanderson A-14 Well No. 7, Section 14, T20S, R36E, N.M.P.M. Lea County, New Mexico, and for approval of an unorthodox location for said well in the Eumont Gas Pool.

Gentlemen:

Continental Oil Company respectfully requests administrative approval under the provisions of Rule 112-A of the Rules and Regulations of the New Mexico Oil Conservation Commission for the dual completion of its Sanderson A-14 No. 7 well, located 1650 feet from the North line and 1650 feet from the East line of Section 14, T20S, R36E, N.M.P.M., Lea County, New Mexico, for the Production of oil from the Monument Oil Pool and gas from the Eumont Gas Pool, and for approval of an unorthodox location for said well under the provisions of Rule 3 of the special pool rules for the Eumont Gas Pool, as contained in Order No. R-520, and in support thereof states:

1. Applicant is operator for the NMFU of the Sanderson A and B Leases which include, among other lands, Section 14, T20S, R36E, Lea County, New Mexico.
2. Applicant drilled and completed on January 26, 1938, its Well No. 7 on said lease producing from open hole in the Grayburg formation from 3764' - 3867'. Said well was subsequently deepened and is presently producing through a liner perforated from 3886' - 3910'.
3. Applicant proposes to open the Eumont section in said well and produce Eumont gas through the casing-tubing annulus while producing the Monument oil through the tubing. Separation of fluids

from the two pools will be effected by means of appropriate packers. A diagrammatic sketch of the proposed dual completion is attached hereto, showing the formations involved, perforations present and proposed, approximate location of packer, and other information pertinent to the dual completion.

4. The well will be equipped in such a manner that there will be no commingling of fluids from the two common sources of supply and that each of them can be tested separately in the well, as required by the Commission.

5. Approval of the proposed dual completion will be in the interests of conservation and will serve to prevent waste and protect correlative rights.

6. It is proposed to dedicate said Section 14 to said well for the formation of a 640-acre unit for production of gas from the Eumont Gas Pool. Said unit will conform in all respects to a standard unit except that the well is located 1650 feet from the nearest outer boundary of the proposed unit. A plat is attached hereto, showing the proposed unit, well location, and offset ownership.

7. Approval of an unorthodox location is necessitated by the recompletion of a well previously drilled to another horizon.

8. Approval of an unorthodox location for said well for the production of gas is in the interests of conservation, will prevent waste, prevent the drilling of an unnecessary well, and will protect correlative rights.

A copy of this application has this date been furnished to all operators who offset the lease upon which the well is located, as required by Rule 112-A, paragraph (b), and to all operators within a 1980-foot radius of the subject well, as required by Rule 3 of the Special Rules and Regulations for the Eumont Gas Pool, contained in Order No. R-520, as follows:

- ✓ El Paso Natural Gas Company, Box 1384, Jal, New Mexico
- ✓ Amerada Petroleum Corporation, Box 2040, Tulsa, Oklahoma
- ✓ Shell Oil Company, Box 1957 Hobbs, New Mexico
- ✓ Gulf Oil Corporation, Box 2167, Hobbs, New Mexico
- ✓ Stanolind Oil and Gas Company, Box 899, Roswell, New Mexico

Wherefore, applicant respectfully requests approval by administrative action for the dual completion and unorthodox location as applied for, or, in the event of protest, that this matter be set for hearing at the earliest practicable date in accordance with the rules and regulations of the Commission



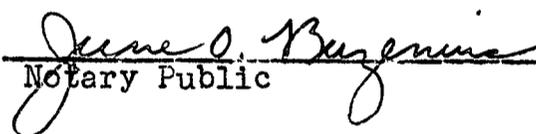
R. L. ADAMS
Division Superintendent
of Production
New Mexico Division

STATE OF NEW MEXICO)
) ss
COUNTY OF CHAVES)

R. L. Adams, upon being duly sworn, deposes and says that he is the Division Superintendent of Production for Continental Oil Company, and as such is authorized to file the foregoing application, that he has read said application and knows the contents thereof, and that the statements made therein are true, as he is credibly informed and believes.



Subscribed and sworn to before me this 11th day of June, 1956.

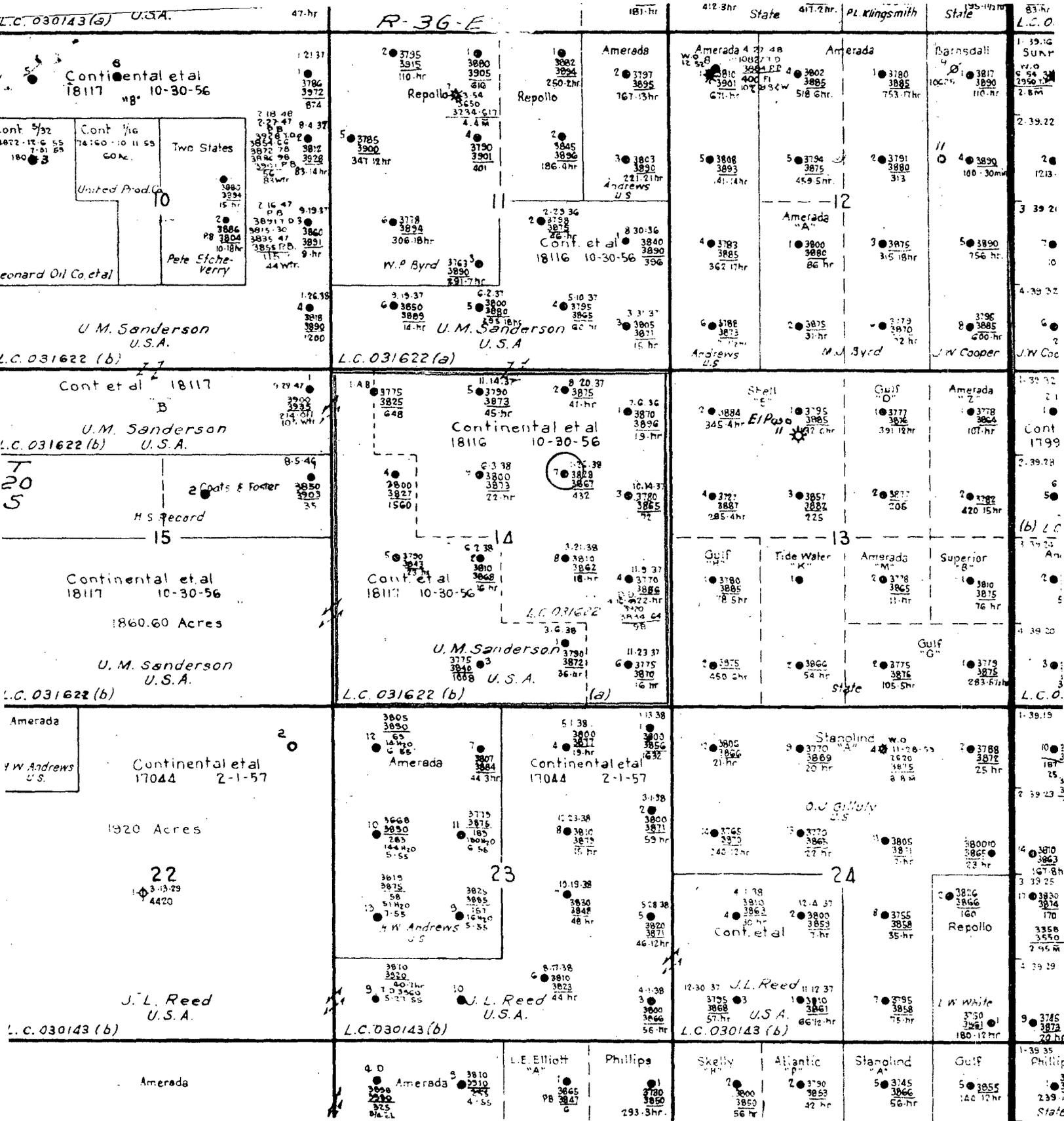


Notary Public

My Commission expires:

August 15, 1956



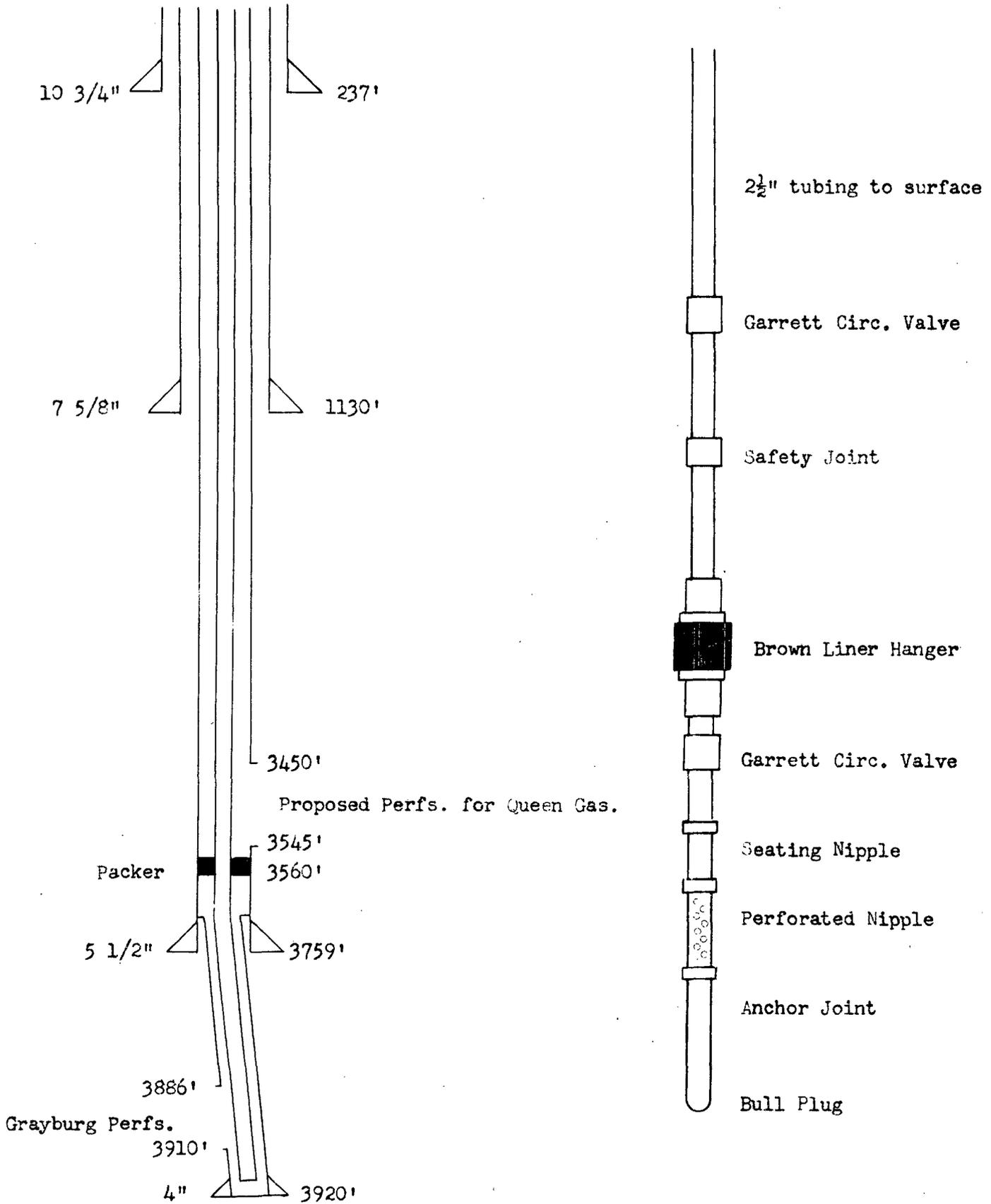


OFFSET OWNERSHIP MAP
CONTINENTAL - SANDERSON A-14 NO. 7
 Section 14, T-20-S, R-36-E
 Lea County, New Mexico.

Proposed Gas Unit _____ Unit Gas Well 

CONTINENTAL OIL COMPANY
 PROPOSED METHOD OF DUAL COMPLETION

SANDERSON A-14 NO.7



MAIN OFFICE OCC OIL CONSERVATION COMMISSION

1956 JUN 22 PM 2:47

BOX 2045
HOBBS, NEW MEXICO

Date June 18, 1956

OIL CONSERVATION COMMISSION
BOX 871
SANTA FE, NEW MEXICO

Re: *June 7/1956*
Proposed ~~NSL~~ _____

Proposed NSL 47

Gentlemen:

I have examined the application dated 6/18/56

for the Continental Oil Co. Sanderson A-14 #7 14-20-36
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

O.K.---C.M.R.

O.K.---R.F.M.

RE: The proration unit, the SW portion of the proposed unit is probably
productive of Queen oil.---R. F. M.

Yours very truly,

OIL CONSERVATION COMMISSION

C. M. Luedy
Engineer